

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE REGULATION

Before the Commissioner of Financial and Insurance Regulation

In the matter of:

Office of Financial and Insurance Regulation,

Enforcement Case No. 08-06371

Petitioner,

v

AMERICAN CREDITORS LIFE INSURANCE COMPANY,

Respondent

_____ /

Issued and entered :
on Nov. 24th, 2010
by Stephen Hilker,
Chief Deputy Commissioner

CONSENT ORDER AND STIPULATION

A. Findings of fact and conclusions of law

1. Contrary to R 500.2202(e), Respondent failed to submit to the Commissioner by April 1, 2007, a list certified as complete and accurate of all forms in effect in Michigan containing discretionary clauses or to submit a letter certifying that Respondent has no forms in effect in Michigan.
2. Based on the foregoing conduct, Respondent has violated R 500.2202.

B. Order

Based on the findings of fact and conclusions of law above and Respondent's stipulation, the Commissioner ORDERS that:

1. Respondent shall immediately cease and desist from operating in such a manner as to violate R 500.2202.
2. Respondent shall immediately submit to the Commissioner a list certified as complete and accurate of all forms in effect in Michigan containing discretionary clauses, or submit a letter certifying that Respondent has no forms in effect in Michigan.

3. Respondent shall pay to the State of Michigan, through the Office of Financial and Insurance Regulation, a fine in the amount of \$1,000. The fine shall be paid within thirty (30) days of the date of entry of this Order.


Chief Deputy Commissioner


C. STIPULATION

I, Joel Rosenblum, acting on behalf of **AMERICAN CREDITORS LIFE INSURANCE COMPANY**, have read and understand the proposed Consent Order above. I agree that the Commissioner has jurisdiction and authority to issue this Consent Order pursuant to the Michigan Insurance Code. I voluntarily waive the right to a hearing in this matter if this Consent Order is issued. I understand that this Stipulation and Consent Order will be presented to the Chief Deputy Commissioner for approval and that the Chief Deputy Commissioner may or may not issue this Consent Order. I waive any objection to the Commissioner deciding this case following a hearing in the event the Consent Order is not approved. Henceforth, I agree to comply with the requirements of the Michigan Insurance Code and all applicable Rules. I agree to the entry of this Order.

If AMERICAN CREDITORS LIFE INSURANCE COMPANY submits to the Office of Financial and Insurance Regulation a list of forms containing discretionary clauses, AMERICAN CREDITORS LIFE INSURANCE COMPANY agrees not to enforce such provisions against insureds and remove all discretionary clauses from the list of forms submitted, within 90 days of entry of the above Order. Upon removal of the discretionary clauses, AMERICAN CREDITORS LIFE INSURANCE COMPANY agrees to immediately file a certification with the Office of Financial and Insurance Regulation indicating that all discretionary clauses have been removed from its forms.


AMERICAN CREDITORS LIFE INSURANCE COMPANY

Dated: 11/23/10


By: Joel M. Rosenblum
Its: President

The Office of Financial and Insurance Regulation staff approves this stipulation and recommends that the Chief Deputy Commissioner issue the above Consent Order.

Dated: 11/24/10


By: Mark L. Roberts
Its: Staff Attorney